



The Environmental Pillar
of Social Partnership, Ireland

Response to the Europe 2020 Strategy

June 8th 2010

Environmental Pillar Members: An Taisce, Bat Conservation Ireland, BirdWatch Ireland, CELT (Centre for Environmental Living and Training), Coastwatch, Coomhola Salmon Trust, Crann, ECO-UNESCO, FEASTA, Forest Friends, Friends of the Earth, Gluaiseacht, GRIAN, Hedge Laying Association of Ireland, Irish Doctors' Environmental Association (IDEA), Irish Natural Forestry Foundation, Irish Peatland Conservation Council, Irish Seal Sanctuary, Irish Seed Savers Association, Irish Whale & Dolphin Group, Irish Wildlife Trust (IWT), , Just Forests, Sonairte, Sustainable Ireland Cooperative (Cultivate), The Organic Centre, VOICE, Zero Waste Alliance

In his opening statement on the Strategy, José Manuel Barroso begins: "2010 must mark a new beginning. I want Europe to emerge stronger from the economic and financial crisis". The Environmental Pillar agrees with this aspiration, but starts from a different premise, and has a very different understanding of what would constitute a stronger Europe.

As with all crises there is an opportunity here for creative thinking, but this moment seems to have passed the 2020 Strategy by. Instead the Strategy tries to fix problems using the tools that brought on the crisis, and ignores the major environmental limits that are being pushed, and in the case of Carbon emissions exceeded, by the desire for continuous economic growth that underlies the Strategy.

The EU 2020 Strategy as one of its aims aspires to put in place a policy framework for "a new sustainable social market economy, a smarter, greener economy, where our prosperity will come from innovation and from using resources better, and where the key input will be knowledge". The substance of the Strategy, however, shows an understanding of sustainability that is a long way from that incorporated in Agenda 21, let alone in the limited commitments made to an EU Sustainable Development Strategy.

The Environmental Pillar proposes the following fundamental statement that should form the basis for the Strategy:

*"The continuing success of human society and social systems depends fundamentally on the preservation of the overall productivity, health and long term sustainability of the ecosystems and environmental services that underpin and supply many of the most basic components of human welfare - such as healthy soils, flourishing biodiversity, clean water and clean air."*¹

It is clear then that our various societies and social systems grew out of, and will always be firmly rooted in, the environment from which the human species developed, and upon which these social systems are dependent. However in the last three centuries the development of an industrial era driven by abundant fossil fuels enabled the creation of an artificial barrier between the peoples of the world and their environment. This is reflected in the evolution of a range of human activities, but in particular in the development of the economic structures that have come to dominate all decision-making, and which are driving the Member States to compete for continuing growth, based on an impossible exponential increase in

¹ Environmental Pillar of Social Partnership Briefing Paper No 1
<http://www.environmentalpillar.ie/?cat=5> [Accessed 12/05/2010]

exploitation of natural resources. The EU must go back to an understanding of where human society fits into the complex ecosystem that it is just one part of.

The Renewed EU Sustainable Development Strategy (2006)² stated that *"The EU SDS forms the overall framework within which the Lisbon Strategy, with its renewed focus on growth and jobs, provides the motor of a more dynamic economy."*

Further to this, the Review of the SDS (2009)³ made a series of suggestions including: *"Greater synergy with the Lisbon Strategy for growth and jobs, which will be reviewed in 2010, and other cross-cutting EU strategies. There could also be better coordination and linkage between the policy areas covered by the Strategies and their follow-up."*

And yet the 2020 Strategy contains no reference to the EU SDS, not even to pay it lip service; nor does it in any way try to develop synergies with the EU SDS. Whilst the 2020 Strategy does restate the targets for reducing greenhouse gases, and gives some emphasis to balancing social priorities across the EU, it is a long way from implementing even the limited aspirations of the EU SDS, and light years from Agenda 21. The concept of *"sustainable growth"* is regularly stated here as a virtue, something to be strived for, without any understanding that in a limited ecosystem the term is an oxymoron, and that to follow this fantasy will lead ultimately to the collapse of human society. Infinite growth is not possible on a finite planet. The EU must work with all the social partners to explore how, in the context of a rapidly changing global environment, it can position itself to prosper in a 21st century that will have to see a worldwide shift to a steady state economy. The Intergovernmental Panel on Climate Change states "the current path of global development poses unacceptable risks."⁴ In tackling our immediate economic problems it is essential we choose policies that address rather than exacerbate our environmental problems

Within the general absence of consideration of the natural environment from the Strategy, it is particularly remarkable that the very serious matter of Biodiversity decline is ignored in this the Year of Biodiversity.

According to the findings of the *"The Economics of Ecosystem and Biodiversity"* study, initiated by the G8+5 environment ministers, the continuous loss of biodiversity will cost the world at least 7 % of Gross Domestic Product in 2050 under a business as usual scenario. The costs of policy inaction for Europe are estimated to be at least 1.1 trillion Euro per year in 2050 (relative to 2000)². Many of these costs will have to be borne well before 2050.

² <http://register.consilium.europa.eu/pdf/en/06/st10/st10917.en06.pdf>

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0400:FIN:EN:PDF>

⁴ NESC report 117, The Irish Economy in the Early 21st Century, June 2008, Page 267

Because the financial costs of failing to halt biodiversity loss and ecosystem degradation are potentially so enormous, we believe it is essential that the replacement of the Lisbon Strategy must recognise the importance of biodiversity and ecosystems as a priority objective and important for this strategy. Responses to the draft EU 2020 Strategy published in November 2009 showed that over half of the Member States explicitly endorse the strong links between economic, environmental and social pillars and that “increased environmental protection” is a widely supported goal for the European Union by individual respondents.

Support for an ambitious EU 2020 biodiversity strategy and its recognition in the EU 2020 strategy would confirm to European citizens and the global community that the EU is strongly committed to nature protection, the functioning of natural systems and sustainable development that respects the fundamental biophysical limits of our planet.

The foundations of a successful society include environmental, social and economic sustainability. The interdependence of these three dimensions of sustainability is central to the analysis of the Environmental Pillar. This understanding must underpin how Europe responds to the current challenges. The reality is that the EU faces two crises, the economic crisis and an even more fundamental ecological crisis. We have been living beyond our means not just fiscally but also environmentally. In the first nine months of 2007 the human population used more natural resources than the Earth can replace in a whole year. In the same nine month period it also generated more pollution than the Earth can absorb in a whole year.⁵ In Europe the situation is worse, with Ireland achieving these figures within 6 months! On a global basis, the notion of economies based on continuous growth has to be challenged and recognised as the road leading ultimately to the breakdown of human civilization. It is essential that new agreed ways of measuring the well-being of society are adopted, and these should include measures of equality, poverty eradication, free education for all, and the full remit of human rights under the UN Declaration.

In this context the Environmental Pillar sees it as fundamental that the EU incorporates the spirit of the Aarhus Convention into all strands of its activities, ensuring full implementation of the Convention in both the governance of the EU and its many structures, and in the governance of the Member States. Without environmental democracy and environmental justice as outlined in the Rio Declaration and Agenda 21, there will be no buy-in from the public to the difficult steps that are needed to develop a truly sustainable Europe.

⁵ Living Planet Report 2008:
http://assets.panda.org/downloads/living_planet_report_2008.pdf [Accessed 12/05/2010]

*"For the last five decades the pursuit of growth has been the single most important policy goal across the world. The global economy is almost five times the size it was half a century ago. If it continues to grow at the same rate the economy will be 80 times that size by the year 2100. This extraordinary ramping up of global economic activity has no historical precedent. It's totally at odds with our scientific knowledge of the finite resource base and the fragile ecology on which we depend for survival. And it has already been accompanied by the degradation of an estimated 60% of the world's ecosystems."*⁶

There is a unique opportunity in the 2020 Strategy for the EU to demonstrate economic leadership and champion international action on sustainability. It is also essential to develop financial and ecological prudence within the Union. The strategy must also begin to redress the perverse incentives and damaging social logic that lock us into materialistic consumerism.

The EU needs to: develop tools to explore different configurations of the key macro-economic variables and to map the interactions between these and ecological variables; develop detailed responses to the investment demands associated with a sustainable economy; to investigate the economic implications of strict resource or emission caps; and to evaluate the impact of changes in the functioning of the ecosystem on economic stability.

Investment in jobs, assets and infrastructures emerges in the Strategy as a key component, but it needs to be in the context of a new macroeconomics for sustainability. The primary objectives for action here must be: investing in ecosystem maintenance, refurbishment and protection; investments in renewable energy, public transport infrastructure, and public spaces; retrofitting the existing building stock with energy- and carbon-saving measures; jobs in building and maintaining essential public services, assets and social capital; and providing fiscal support and training for green businesses, clean technologies and resource efficiency.

Debt-driven materialistic consumption has destabilised the macro-economy and contributed to the global economic crisis. A new era of financial and fiscal prudence needs to be ushered in, to: reform the regulation of national and international financial markets; increase public control of the money supply; incentivise domestic savings; for example through secure (green) national or community-based bonds; outlaw unscrupulous and destabilising market practices (such as short-selling); and provide greater protection against consumer debt.

The Strategy must develop more robust measures of economic wellbeing to incorporate protection from inequality in the distribution of incomes; to adjust for the depletion of material resources and other forms of natural capital; to

⁶ Prosperity Without Growth, Sustainable Development Council, UK. http://www.sd-commission.org.uk/publications/downloads/prosperity_without_growth_report.pdf

account for the social costs of carbon emissions and other external environmental and social costs; and to correct for positional consumption.

In a steady-state economy, working time policies are essential to achieve macro-economic stability and to protect people's jobs and livelihoods. But in addition, reduced working hours can increase flourishing by improving the work-life balance. By contrast income inequalities drive consumption, increase anxiety, undermine social capital and expose lower income households to higher morbidity and lower life satisfaction. The culture of consumerism has had damaging psychological and social impacts on people's wellbeing. The Strategy should initiate a process to systematically dismantle incentives towards materialistic consumption and unproductive status competition.

The Strategy should recognise the need to define an appropriate measurement framework for a lasting prosperity that would entail the assessment of people's capabilities for flourishing in different sections of the population and across the EU as a whole. Developing European and national accounts of wellbeing (or of flourishing) could proceed through the measurement of outcome variables such as healthy life expectancy, educational participation, social wellbeing, trust in the community, social capital and so on. Much of this is examined in the NESC Report, "Well-Being Matters- A Social Report for Ireland"⁷. The 80 million below the poverty line across Europe and the many unemployed people in Ireland need to be included through the use of these accounts, and strong social inclusion measures must be taken to raise up their sense of well-being. A further requirement here is to adjust existing economic measurement frameworks to account systematically for ecological and social factors both in Europe and the rest of the world.

Creating resilient social communities is particularly important in the face of future environmental and economic shocks. Specific policies are needed to: create and protect shared public spaces; strengthen community-based sustainability initiatives supporting voluntary activity by the unemployed; reduce the need to travel to work; provide training for green jobs; enable the unemployed to engage without penalties in activities that contribute to the well being of their communities; offer better access to lifelong learning and skills; place more responsibility for planning in the hands of local communities; and protect public service broadcasting, museum funding, public libraries, parks and green spaces.

The material profligacy of consumer society is depleting key natural resources and placing unsustainable burdens on the planet's ecosystems. Establishing clear resource and environmental limits and integrating these limits into both economic functioning and social functioning is essential. To ensure that this

⁷ http://www.nesc.ie/dynamic/docs/NESC_WB_Executive_Summary.pdf [Accessed 15/05/2010]

process begins in earnest, the 2020 Strategy should incorporate the following four commitments⁸:

1. Imposing clearly defined resource/emissions caps

A lasting prosperity requires a much closer attention to the ecological limits of economic activity. Identifying and imposing strict resource and emission caps is vital for a sustainable economy. The contraction and convergence model developed for climate related emissions should be applied more generally. Declining caps on throughput should be established for all non-renewable resources. Sustainable yields should be identified for renewable resources. Limits should be established for per capita emissions and wastes. Effective mechanisms for imposing caps on these material flows should be set in place.

2. Fiscal Reform for Sustainability The argument for an ecological tax reform – a shift in the burden of taxation from economic goods (e.g. incomes) to ecological bads (e.g. pollution) – has been broadly accepted for at least a decade and the Strategy should initiate a sustained effort by the EU to design appropriate mechanisms for shifting the burden of taxation from incomes onto resources and emissions.

3. Promoting Technology Transfer and Ecosystem Protection

A key motivation for redefining the basis of prosperity in advanced economies is to make room for much-needed growth in poorer nations. But as these economies expand there will also be an urgent need to ensure that development is sustainable and remains within ecological limits. The Strategy should commit the EU to establish a global technology fund to invest in renewable energy, energy efficiency, carbon reduction, and the protection and enhancement of 'carbon sinks' (e.g. tree cover and bogs) and biodiversity in developing countries. This could be funded through a carbon/ resource levy (payable by importers) on imports from developing countries, or through a Tobin tax on international currency transfers, or a combination of the two.

4. Protecting natural systems and ecosystem services

At Member State level, the condition of ecosystems needs to be addressed so that the continued loss of public benefits derived from natural systems (floodwater management, carbon capture etc) is halted. Biodiversity policy needs to become core to policy development in other sectors.

The minimum bottom line for the Environmental Pillar is that the EU Strategy must be rooted in the EU SDS, just as the Irish response needs to be developed in tandem with the development of the new National Sustainable Development Strategy.

⁸ Prosperity Without Growth, Sustainable Development Council, UK. http://www.sd-commission.org.uk/publications/downloads/prosperity_without_growth_report.pdf [Accessed 15/05/2010]

Introduction to the Environmental Pillar

The Environmental Pillar was included as the fifth pillar of the Irish national Social Partnership in April 2009, and is made up of the 27⁹ national environmental NGOs, acting together as one social partner alongside the Trade Unions, the Employers, the Farmers and the Community and Voluntary Pillars. The Environmental Pillar is actively working with the other social partners and with government at the national and local levels to promote the protection and enhancement of the environment.

Whilst this document was developed through the processes of the Environmental Pillar it does not necessarily represent the policies of all its members.

Contact information:

For further details please contact Michael Ewing, Social Partnership Coordinator.

Postal Address: Environmental Pillar of Social Partnership. Knockvicar, Boyle, Co Roscommon.

Telephone: 01 4054834

Mobile: 00353 (0)86 8672153

Email: michael@environmentalpillar.ie

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